

PX 395

Message

From: Ron Will [REDACTED]@ripple.com]
Sent: 2/28/2018 8:55:02 AM
To: Dinuka Samarasinghe [Dinuka Samarasinghe <[REDACTED]@ripple.com>]
CC: Miguel Vias [Miguel Vias [REDACTED]@ripple.com>]; Brad Garlinghouse [Brad Garlinghouse [REDACTED]@ripple.com>]
Subject: Re: XRP morning snapshot

We should definitely focus the pre-read and presentation on these issues on Friday's XRP call given how critical volume is to our cash flow.

I've added some notes in caps of the items I'd highlight and some ideas on how to present so its easier to interpret for the masses.

Nice work on this!

On Tue, Feb 27, 2018 at 12:37 PM, Dinuka Samarasinghe <[REDACTED]@ripple.com> wrote:

Hi Ron,

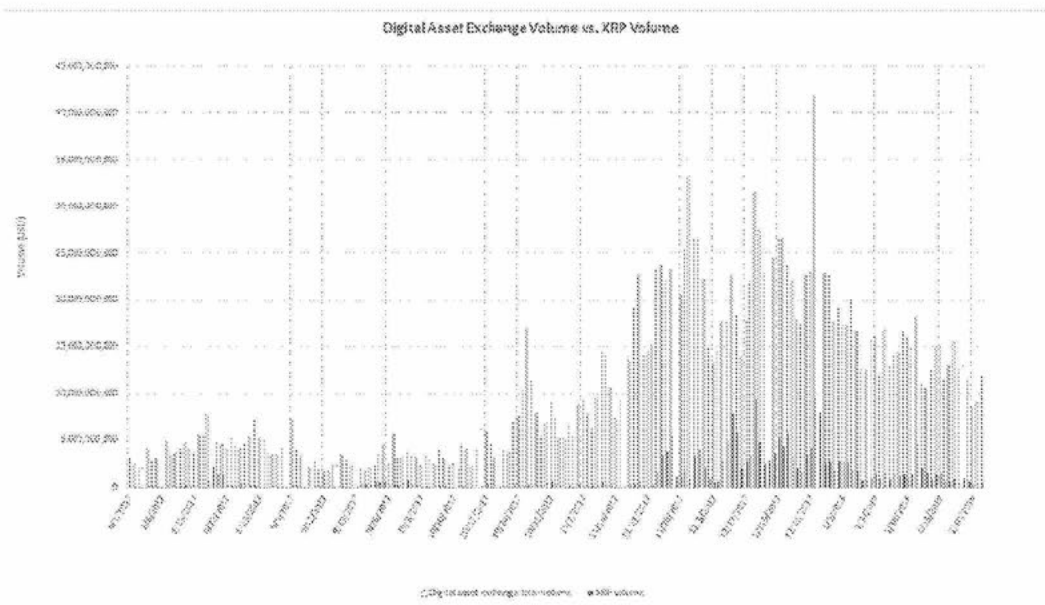
TLDR

Digital asset volumes are down across the board, but XRP's volumes are underperforming, compared to their heightened levels during the flurry of activity spanning mid December through early February.

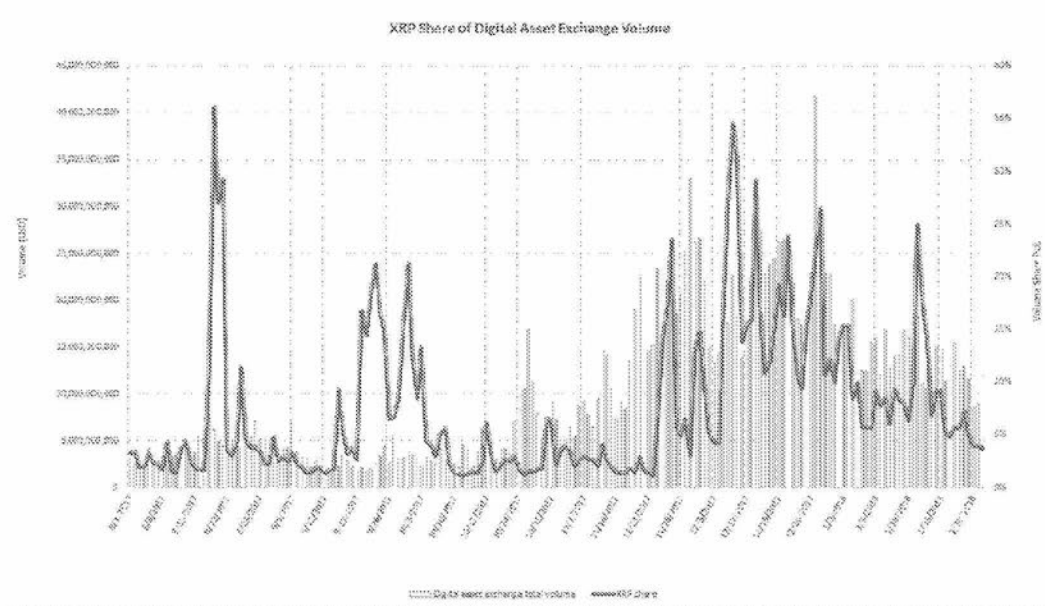
1. As the overall market calms down, XRP's share of market volume appears to be declining to a historical base-line.
2. As XRP specific interest is less frenzied, we would expect XRP's share to decline as XRP is not a base pair, unlike BTC and USD.
3. XRP's underperformance is also in part due to a significant drop in Korean exchange share of digital asset volumes over the last two weeks, during which time XRP's outsized reliance on Korean exchange volume actually increased.

For further analysis see below.

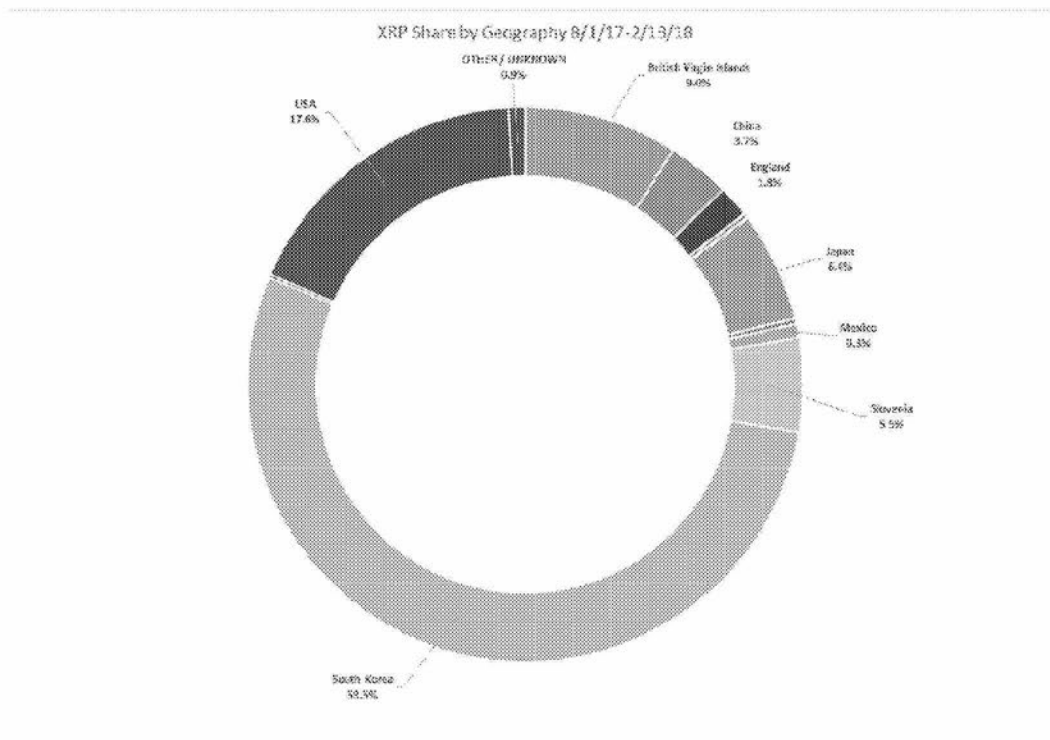
We can see from the below graph that digital asset volumes have been decreasing since peaking around mid January.



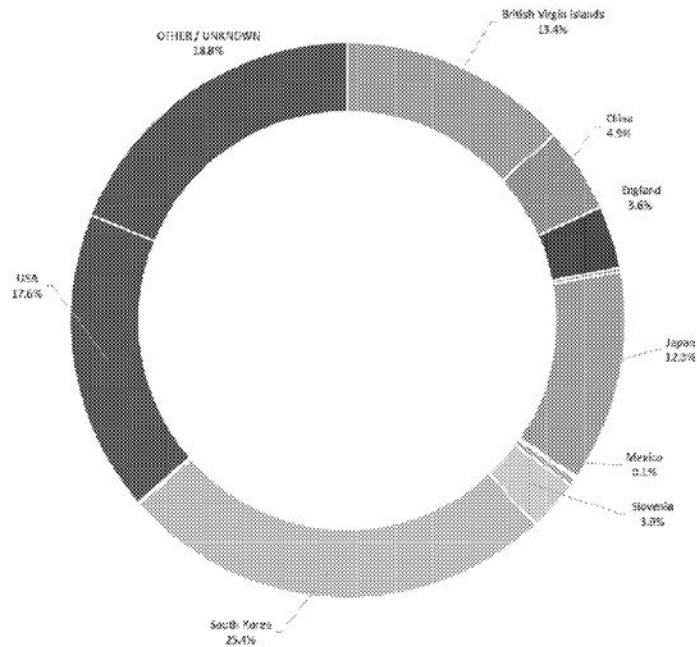
This graph shows XRP's share of overall digital asset volume, and we can see that XRP's share of digital asset volume is decreasing even as overall volumes are decreasing. (Apologies, I do not have data for XRP versus the rest of the market further back than this.) . CAN WE ADD A MOVING AVERAGE TO THIS CHART? PERHAPS 15 OR 30 DAY?



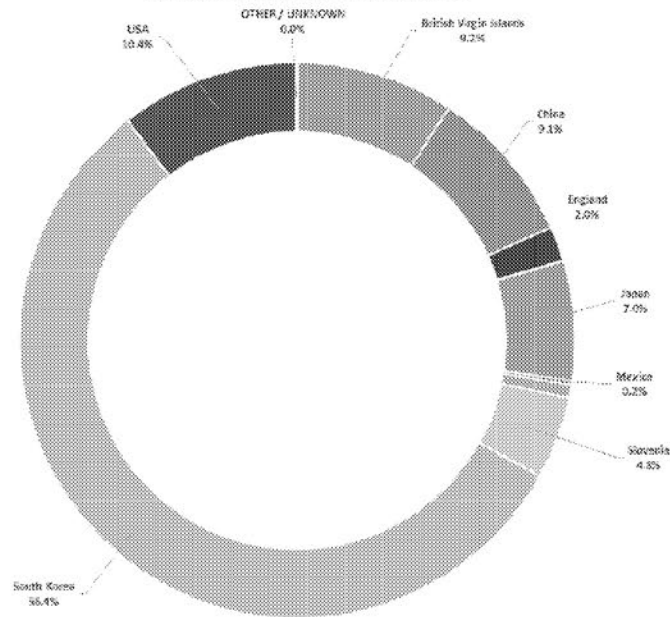
Korean exchanges' participation on the overall digital asset markets dropped significantly, from 25.4% of all digital asset volume to 20.9% of all digital asset volume, over the last two weeks, due to a combination of Chinese New Year and the Winter Olympics. However, despite this decrease in participation, the volume share given by the Korean exchanges for XRP total volume actually increased from 53.5% to 56.4%, while showing a large decrease in volume on exchanges in the USA. Bittrex share fell from 6.5% to 2.4%, Kraken increased from 3.7% to 4.7%, Poloniex decreased from 7.4% to 3.3%. I THINK THAT WE SHOULD LOOK AT THIS OVER TIME IF POSSIBLE - SO WEEKLY PERHAPS BY GEOGRAPHY AND ALSO BY EXCHANGE FOR THE LAST 6 MONTHS FOR OVERALL DIGITAL ASSET VOLUME AND THEN FOR XRP SHARE

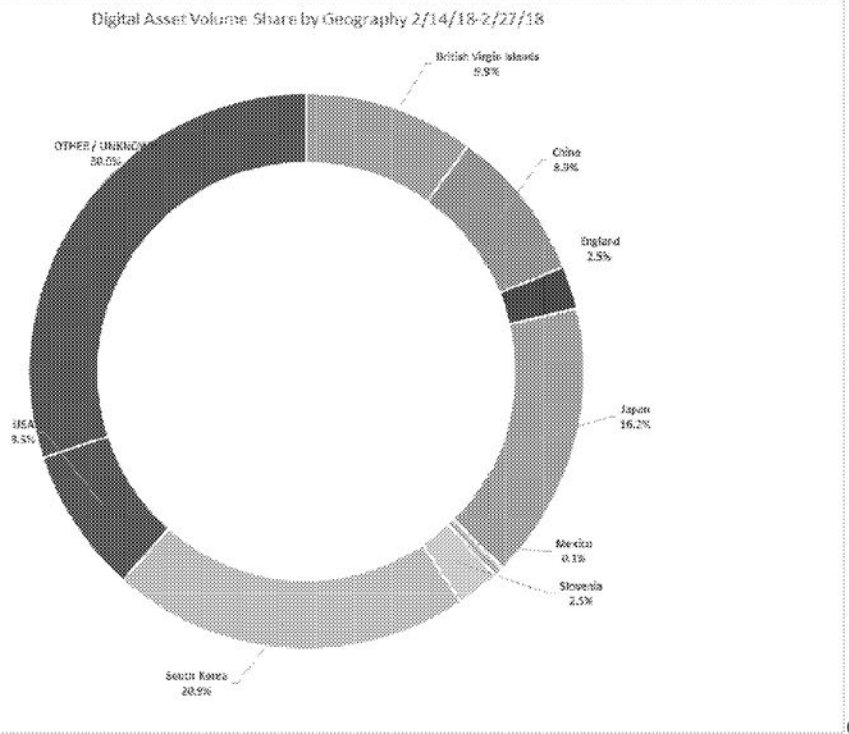


Digital Asset Volume Share by Geography 8/1/17-2/13/18



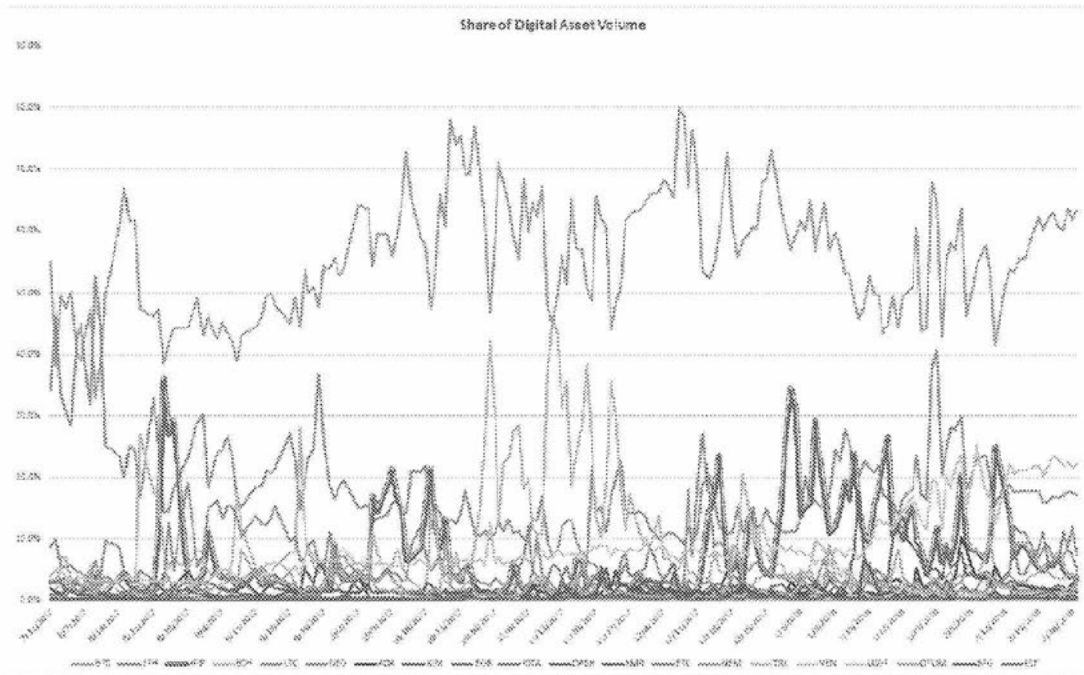
XRP Share by Geography 2/14/18-2/27/18





The chart below is a bit difficult to make out, but it shows the percentage volume share of the top 20 digital assets per market share. We can see that BTC (the grey line on the top) has been increasing as % of total volume of all digital asset market volume. XRP has been declining in a jagged fashion (here the bold, double bluish-grey line here). The digital asset (bright green line) that has been increasing in % share of overall digital asset volume is USDT, which is in the 20's. THIS IS A DIFFICULT CHART TO PARSE - PERHAPS WE DO IT IN A WEEKLY TABLE SINCE THE BEGINNING OF THE YEAR FOR THE TOP 5 - 10?

Bitcoin is certainly seeing increased volume as it tests some psychologically important support and resistance levels, its transaction fees have declined precipitously, and there is increased chatter about the lightning network. However, as mentioned above, BTC and USDT are both base pairs, in that on crypto-crypto exchanges other digital assets trade against these two currencies. To date, XRP has not been a base pair.



On Tue, Feb 27, 2018 at 11:25 AM, [REDACTED]@ripple.com> wrote:
Got it. We'll back to you with some thoughts early this afternoon.

On Tue, Feb 27, 2018 at 10:28 AM, [REDACTED]@ripple.com> wrote:
The most concerning number on the page is our volume - can we dig in there:

- Is it across the board - all exchanges are seeing declines or is it concentrated in some or some geographic regions?
- How does it compare to volume in other digital assets - in aggregate and at those exchanges same exchanges and geographic regions - currently and over the past few weeks
- Any specific evidence to support its a rotation into another digital asset - for example Litecoin at our expense?

Thanks - let me know if you have any questions
Ron

On Tue, Feb 27, 2018 at 6:46 AM, [REDACTED]@ripple.com> wrote:
Brad,

We thought it might be helpful to send a daily morning snapshot so you have a quick view into what's going on in the markets. Our goal is for this to be informational and to help you get up to speed on overnight activity without having to look around much. If you don't think it useful, we will discontinue it immediately. Conversely, if you think we should send this to a broader audience, please let us know.

Best,

The XRP Markets Team

Digital Asset	Current Price	24H Price Change	Weekly Price Change	24H USD Volume
BTC	\$10,877.10	7.18%	-6%	\$7.60B
ETH	\$889.52	1.72%	-6%	\$2.12B
XRP	\$0.97	1.60%	-15%	\$399.17M
BCH	\$1,293.12	4.47%	-15%	\$456.84M
LTC	\$220.41	-3.12%	-10%	\$963.69M
NEO	\$142.12	6.09%	4%	\$465.33M
ADA	\$0.34	1.90%	-14%	\$134.49M
XLM	\$0.36	0.15%	-16%	\$41.28M
EOS	\$8.85	8.91%	-9%	\$331.76M
MIOTA	\$1.93	3.13%	-5%	\$40.05M

Quick market notes:

Low volatility persists, and the market has been creeping higher on low volume.

- Overall digital asset market cap up 2.7% to \$464 B
- Correlations remain high
- Bitcoin outperforming with positive chatter on lightning network, dominance now at 39.5%
- XRP up small on low volume. Just being pulled higher with the rest of the market

Overnight Headlines

- Goldman Sachs follows BoA in considering cryptocurrencies and distributed ledger technology a competitive and compliance risk
- Pizza purchased with purported first purchase through bitcoin lightning network
- Chinese exchanges continue to thrive with success of Huobi Pro, OkEx, and Binance

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